**Sustainable Growth and Efficiency, Effectiveness and Economy**

Our focus on economic transformation

In January 2024, Scottish Enterprise introduced a new mission-based approach published in ‘[Our Focus on Economic Transformation](https://www.scottish-enterprise.com/media/wwlnfy3n/se-our-focus-on-economic-transformation-january-2024.pdf)’ setting out how we will work with businesses and partners to support economic growth for all of Scotland by creating high-value jobs, enabling innovation, boosting productivity and attracting investment. Our goal is to create a more productive, resilient and competitive economy for Scotland, by raising levels of innovation, investment and internationalisation across business.

We are focusing on those areas where we can make the biggest contribution to the ambition set out in the National Strategy for Economic Transformation and the Scottish Government’s priorities around equality, opportunity and community.

We believe our mission approach will help future-proof Scotland’s economy by confronting changing societal, environmental and technological opportunities and threats, helping to create and shape markets. By focusing our energies and resources, we can be even more effective in delivering in a time of public-service reform. Given pressures on public finances, Scottish Enterprise will focus on activities and businesses likely to have the most transformative impact on shaping Scotland’s future economy.

Our new approach demonstrates how our strategic ambition is underpinned by a commitment to deliver against net zero, fair work and equalities, diversity & inclusion (EDI) as critical drivers of competitiveness.

Sustainable growth - our response to a shift in the role of business

The roles of business and investment markets are experiencing changes. Many businesses now understand the benefits of delivering positive impacts for people and planet – as well as generating greater prosperity.

We recognise that for Scotland to have a thriving and prosperous economy, we need to collectively act to address climate change and the widening inequalities that prevent individuals from accessing opportunities - and in response, motivate and engage employers and employees to act.

There are business reasons why these issues are becoming increasingly important to

competitiveness. Adopting innovative and progressive practices directly improves bottom-line results. They boost business productivity and innovation, help attract customers, employees and investment – and help businesses address new market opportunities. More businesses are adopting climate-positive supply chain commitments, sustainable procurement practices and inclusive business models – helping to achieve better performance for their customers, employees, investors and local communities.

To address climate change

Scottish Enterprise is committed to bold action to help Scotland meet its net zero goals, and thrive in ways that are fair across sectors, places and for Scotland’s people.

Our [Net Zero Framework for Action](https://www.scottish-enterprise.com/media/zw0lvftf/net-zero-framework-for-action-2023_24.pdf) outlines our approach to help tackle climate change and address biodiversity loss. It focuses on economic opportunities that deliver benefits to the environment and society. We made a commitment to update our Net Zero Framework for Action on an annual basis, to outline our progress towards our five strategic ambitions. For 2023/24 we published an update to our [Net Zero Framework for Action](https://www.scottish-enterprise.com/media/zw0lvftf/net-zero-framework-for-action-2023_24.pdf), continuing our efforts to work with businesses across Scotland to help them realise the benefits and opportunities of the just transition to net zero.

**Efficiency, Effectiveness and Economy**

Scottish Enterprise is continually looking for opportunities to increase efficiencies and lower costs through optimising budget allocation and forecasting.

During 2023, we reviewed all our recruitment practices to improve our approach. Our new blended assessment model for recruitment replaced competency-based interviews. The new model will assess Skills, Experience, Traits and Strengths (S.E.T.S) relevant to the role, and how closely candidates' values align to Scottish Enterprise’s, creating efficiencies by getting recruitment right first time.

We continuously evaluate our workforce to ensure we can meet both current and future organisational needs. Our Strategic Workforce Planning (SWP) process outlines priority areas and resourcing requirements, helping us allocate our salary budget efficiently to address these key priorities. This approach also provides a framework to identify skills gaps, including areas for development, as well as resource needs, ensuring that we are well-prepared to address emerging demands.**​**

Following the pandemic, Scottish Enterprise rolled out a new policy of ‘Everyday Flexibility’, giving colleagues more autonomy over where they work.

As a result of this, there was a significant drop in the use of our offices.  The move to a more hybrid style of working prompted a review of the operational estate and our office requirements. This resulted in Scottish Enterprise reducing the number of operational offices.  We reduced the size of our office estate from 12 locations to 4 ‘hub’ locations in our major cities, and a further 5 smaller ‘workspaces’ across our operational area. In all but 3 of our locations, we are co-located with other public or third sector bodies.

Scottish Enterprise is an active participant in the Scottish Government’s Single Scottish Estate programme, which seeks to ensure we maximise the use of the existing public office estate through sharing workspaces. We will continue to work closely with Scottish Government, unions and colleagues on identifying appropriate locations for our offices where current arrangements end and we are required to re-locate.

As a core element of our procurement policy, we require the use of Framework Agreements to be considered prior to any procurement of stand-alone contracts. We currently use Frameworks extensively for everything from software to stationery. Frameworks used include those created by both the Scottish Government’s Procurement and Commercial function to the UK Crown Commercial Services Agreements. In 2023/4, 14 new contracts were awarded through Framework Agreements.

In 2021, Scottish Enterprise established a net zero target date of 2040, which is five years earlier than the Scottish Government's goal of 2045.  To reach net zero, we concentrated on lowering emissions from our property portfolio, operational offices, and travel (flights and cars). However, the pandemic resulted in increased emissions in the area of homeworking. Recent audited data indicates an overall 79% reduction in emissions from our baseline. Progress has been made in understanding the pathway for eliminating our unavoidable residual emissions through insetting/offsetting. We will continue to review progress towards our net zero target date throughout the year.